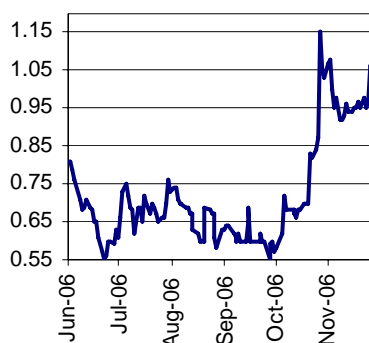


## Havilah's Portia is Indeed Fair (HAV)

Havilah's 100% owned Portia deposit could hold several million ounces of gold. A test pit is proposed to further evaluate this intriguing mineralisation.

The company is reprocessing entire RC drill sample bags from its Portia gold project in South Australia. This deposit looks extraordinary, like nothing else I have ever seen! Gold occurs as very nuggetty primary mineralisation at the top of a buried formation, 65-70 metres below tertiary cover, down to at least 100 metres in bed rock. Reprocessing of old drill cores has produced some extraordinary results including, **6 m @ 55 g/t, 6 m @ 57 g/t, 3 m @ 32.2 g/t, 9 m @ 12.5 g/t, 12 m @ 9.4 g/t, 2m @ 81 g/t and 2 m @ 19.5 g/t Au.** Path finder, trace elements could be used to indicate the presence of gold along strike in future drilling. The company is able to map the gold bearing structure using gravity geophysics, which indicates several kilometres of potential strike with the potential to hold many million tonnes of mineralisation of uncertain grade. Only trial mining can determine what it looks like.

Since the mineralisation is very nuggetty, normal drill sampling techniques are inaccurate and a very large sample is required. The company is now moving to establish a ~\$5 million trial pit later in 2007, which could immediately expand to a commercial, 500,000 - 700,000 tpa open pit and gravity separation operation, if it proves successful. I have upgraded my valuation for Portia to reflect these ongoing positive results.



### Havilah Estimated Valuation Matrix

	\$m.	\$/share	Comments
Cash	2	0.02	
Unissued equity	15	0.17	
Investments	26	0.30	CUY, MOX & GHT
Mutooroo	39	0.45	DCF
<b>Sub Total</b>	<b>82</b>	<b>0.95</b>	
Kalkaroo	134	1.55	A13 cts/lb
Portia	23	0.27	A\$50/oz for 460Koz
Nth Portia	17	0.20	A\$13 cts/lb
Exploration	20	0.23	Nominal
Corporate	-8	-0.09	
<b>Total</b>	<b>269</b>	<b>3.10</b>	

Source: Strachan Corp. Pty Ltd.

**Havilah remains a speculative BUY**

## Christmas & Administration

I would like to remind subscribers that the last StockAnalysis for the year will be published on December 20<sup>th</sup> and the first edition for 2007 will emerge on the 17<sup>th</sup> of January.

Thank you to those subscribers who have been buying subscriptions as gifts for friends and family. I hope they enjoy reading StockAnalysis as much as I enjoy writing it! Anyone wishing to stuff a stocking with a 3 month or 6 month StockAnalysis subscription should call Christine or Susan to organise this.

Thank you to all those who have taken the time to fill out and send back our survey. This information has been very useful. We will tally these up and let you know how much we are donating to Osteoporosis Australia.

## Tale of the Tab

	Performance	
	Since Call	Annualized
StockAnalysis Buys	89%	124%
All Ords Index *	59%	23%
Energy Index *	106%	41%

Since I began StockAnalysis in May 2004, I have kept a very rough record of recommendations, and tabulate them with equal weighting, while notionally trading them out on a not too rigorous basis. Performance is summarised below. Overall, my recommendations have produced an annualised return of 124% pa, compared with the All Ords Index, which has risen by 23% pa over the period and the Energy Index, which is up 41% pa over the period.

\* since 5 May '04

(Continued on page 6)